

# Lighting Your Way

*Benefit News You Can Use*

Change is a good thing, especially when it brings new opportunities. The City of Long Beach is no stranger to change, having embraced a major renovation project to transform our downtown and waterfront. The success of this project has brought our City national attention and has been instrumental in our growing popularity as both a business hub and tourist destination. In the City of Long Beach, we have it all.

Our waterfront has been changed and enhanced and is now cast in a new light with the addition of a lighthouse. Your benefits as a City of Long Beach employee have been changed and enhanced as well. These benefits add significantly to the value of your total compensation. They provide important health care coverage, financial protection, savings and investment opportunities, and more.

See your benefits in a new light by reading this newsletter along with your enrollment materials. You'll learn about important plan features and changes that may mean new opportunities for your own good health and well being.

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## What's New for 2001

### **PacifiCare Replaces Health Net HMO**

Beginning December 1, Health Maintenance Organization (HMO) plan members will benefit from lower payroll deductions when PacifiCare replaces Health Net as the City's HMO option. This change was prompted by back-to-back years of proposed double-digit rate increases from Health Net as well as a desire to make available broader, more affordable coverage for the City's retirees. PacifiCare is one of the country's leading managed health care companies, with nearly two million members in California alone.

As an HMO, PacifiCare works much like Health Net. In fact, PacifiCare contracts with many of the same providers available through Health Net. If you currently use a Health Net provider and enroll in PacifiCare, you won't have to change doctors.

You access services through your primary care physician (PCP) chosen from the physicians listed in the PacifiCare HMO Provider Directory. Your PCP serves as your primary caregiver, health care advisor and consultant, coordinator of specialty care and patient advocate. If you use non-PacifiCare providers, or if you obtain care without approval from your PCP, your care will not be covered (except for life-threatening emergencies).

Listed here are other key features of the PacifiCare HMO:

- No deductibles
- No claim forms
- \$5.00 copayment for office visits (Note: new office visit copay for 2001)
- Vision coverage through MES
- \$5.00 per prescription copay for generic drugs; \$10 for brand-name; and \$20 for non-formulary (Note: new prescription drug copays for 2001)
- \$35 copay for emergency room services, waived if admitted
- Enhanced chiropractic and acupuncture benefits
- Unlimited visits on covered mental health benefits

For more detailed information, refer to your Benefits Summary and the PacifiCare brochure included with your enrollment materials. PacifiCare also offers a CD on plan services that you can access from the City's Intranet website at <http://wmirror>. (Click on Human Resources and then "for CLB employees.")



## Changes in Payroll Deductions

Although PacifiCare HMO members will enjoy a \$10 decrease in monthly payroll deduction amounts, participants in the Great-West High Option PPO plan will see a \$10 increase, as shown in the table below. The cost for plans not shown in the table will remain the same for the new plan year.

While the Great-West High Option PPO plan offers the highest level of flexibility in terms of provider choice, it does not provide the highest level of benefits to employees. At the same time, the Great-West High Option PPO plan is the most expensive plan offered to City employees and its costs continue to escalate more rapidly than those of the other plan alternatives available. Given this year's increase in the monthly payroll deductions for this plan, the upcoming open enrollment period might be a good time to reevaluate your health care needs and consider one of the lower cost plans the City offers. You may find that you can save hundreds of dollars in lower payroll deductions and/or other out-of-pocket costs by switching to one of the City's POS or HMO plan options.

## Changes in RX Copayments for the Great-West Life Plans

No doubt you have read the news headlines about the rising costs of prescription drugs. In fact, prescription drug costs are increasing by 15% to 20% a year, making prescription drugs the most rapidly

increasing cost component in health insurance plans today. And there is little relief in sight. The City of Long Beach is not immune to this nationwide problem. Higher drug costs have accounted for most, if not all, of the increase in the rates for the Great-West Life plans over the past two years.

Due to the rising cost of prescription medicines, the prescription drug copayment for **brand-name drugs** will increase to \$12 under each of the Great-West Life Plans. The copayment for **generic drugs** will remain at \$4 per prescription for all Great-West Plans.

At the same time, the City is planning to roll out an aggressive education program for both patients (i.e., City employees, retirees, and their dependents) and the local physicians serving the vast majority of them. In today's drug marketplace, drug manufacturers are marketing to both physicians and consumers through direct advertising designed to tout the latest generation of products (available in highly profitable brand-name versions only). Often times, there is little regard to the relative effectiveness of the drug for the given medical condition, or the cost relative to earlier products that have been proven effective and safe for most patients. Look for a future benefits newsletter on this topic designed to make you a better consumer when it comes to prescription drug usage.

## Domestic Partners Now Covered

Domestic partners of the same sex may now be eligible for City of Long Beach benefit coverage provided certain conditions are met. For information, please contact Human Resources.

**"Light Up" our web! For information on City of Long Beach benefit plans visit our intranet website at <http://wmirror>. Click on Human Resources, and then "for CLB employees."**

## Make the Most of Open Enrollment

Open enrollment begins October 2, and ends October 13, 2000. This is your once-a-year opportunity to change your benefit elections and add or delete dependents from your coverage. The decisions you make during open enrollment must remain in effect during the plan year.

As part of open enrollment, you will receive a preprinted form that lists your current plans. If you do not want to make any changes, just check the "No Change" box at the top of the form, sign and return it to your payroll personnel assistant. If you do want to make plan changes, just indicate your new choices on the form, and sign and return it.

Take the time to review your enrollment materials to make the most of the plans offered. If you have questions, plan to attend a Question & Answer Session to meet health and dental insurance plan representatives. (A schedule is included on the back cover of your Summary Guide.) The better you understand your coverage options, the better prepared you will be to make informed choices.

Your Plans	Payroll Deduction in 2000	Payroll Deduction in 2001
• Great-West High Option PPO	\$49.56	\$59.56
• Delta Dental Plan		
• Life Insurance		
• Great-West High Option PPO	\$14.66	\$24.66
• PacifiCare Dental		
• Life Insurance		
• PacifiCare HMO	\$63.76	\$53.76
• Delta Dental Plan	(Health Net)	
• Life Insurance		
• PacifiCare HMO	\$28.86	\$18.86
• PacifiCare Dental Plan	(Health Net)	
• Life Insurance		